

Alvin C. Lin, Esq.
Heath D. Rosenblat, Esq.
MORRISON COHEN LLP
909 Third Avenue, 27th Floor
New York, New York 10022
Telephone: (212) 735-8600
Facsimile: (212) 735-8708
Email: alin@morrisoncohen.com
Email: hrosenblat@morrisoncohen.com

Counsel to Joseph Griffin

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:	Chapter 11
BLOCKFI INC., <i>et al.</i> , ¹	Case No. 22-19361 (MBK)
Debtors.	(Jointly Administered)

**STATUS NOTICE CONCERNING STIPULATION AND ORDER
BY AND AMONG WIND-DOWN DEBTORS AND JOSEPH GRIFFIN**

Joseph Griffin (“**Griffin**”), by and through his respective undersigned counsel, hereby provides this *Status Notice Concerning Stipulation and Order by and Among Wind-Down Debtors and Joseph Griffin* (this “**Status Notice**”), and respectfully states as follows:

¹ The Wind-Down Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Wind-Down Debtors’ service address is c/o M3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019.

Background²

1. On May 3, 2024, Griffin entered into *Stipulation and Order by and Among Wind-Down Debtors and Joseph Griffin* (“**Stipulation**”) with BlockFi Inc. and its affiliated debtors.
2. On May 6, 2024, this Court “so ordered” (“**Approval Order**”) (ECF No. 2290) the relief requested in the Stipulation.
3. The matters addressed and the relief sought in the Stipulation concerned, *inter alia*:
 - (a) the Griffin USDC Funds³ being treated as an Invalid Wire Transfer under the Plan and
 - (b) Griffin being authorized and empowered to implement the intent of the Stipulation, as more fully described therein. *See e.g.*, Stipulation ¶2 & 4.

Status Update

4. Following the Approval Order, Griffin’s counsel attempted to locate, reverse, or have the Griffin USDC Funds reissued. These efforts included multiple unanswered e-mails to the General Counsel of BitGo (*see Exhibit A* attached to this Status Notice), as well as e-mail and telephonic communications with counsel for Circle.

5. As a result of the communications with Circle’s counsel, Griffin’s counsel has been informed, specifically regarding paragraph L of the Stipulation, about Circle’s capabilities. Namely, Circle does not have the technical capability to burn and reissue the tokens at issue for at least two reasons. First, Circle can only burn tokens that are transferred to it for redemption. Circle cannot burn tokens located in a third-party wallet (*i.e.*, a non-Circle wallet), and it cannot access or move tokens in a third-party wallet in order to redeem them unless it has the private key for that

² To the extent necessary, the Stipulation is fully incorporated into this Status Notice.

³ Capitalized terms used but not defined in this Status Notice shall have the meanings ascribed to them in the Stipulation.

wallet. Circle does not hold the private key for the third-party wallet 0x085bE2BA51431fBB0Db840a13B091AfA83c26ce7, where the tokens at issue are located. Second, Circle can only burn native USDC tokens (*i.e.*, tokens that are issued by it). The tokens at issue here are Binance-Peg USDC, not native USDC.

6. Griffin will continue his efforts to locate, reverse, or have reissued the Griffin USDC Funds consistent with the Stipulation. To that end, nothing in this Status Notice is or shall be deemed to be a waiver or release of any claim, cause of action, right, or remedy, all of which are hereby reserved and preserved by Griffin to the fullest extent permissible at law, in equity, or otherwise.

Date: July 10, 2024
New York, New York

MORRISON COHEN LLP

By: /s/Alvin Lin
Alvin C. Lin, Esq.
Heath D. Rosenblat, Esq.

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